

# Understanding Sunnyvale’s 2003/2004 Adopted Budget

## SUNNYVALE’S APPROACH TO BUDGETING

The City of Sunnyvale’s unique way of budgeting is part of the City’s internationally recognized Planning and Management System. The Sunnyvale budget looks ahead for many years, anticipating income and expenses over a long-term perspective.

During the development of the FY 2003/2004 budget, we altered our standard budget development process as the City dealt with an unprecedented financial crisis. Due to the continued economic downturn of the region and subsequent reductions in State funding, the City was faced with one of the worst financial situations in recent history.

The City Manager developed a 6-Point Action Plan to strategically guide the City through this new fiscal reality. As part of the action plan, staff performed a comprehensive review of the City’s operations and City Council provided final policy direction. Through this process the City has been able to close a structural fiscal gap of approximately \$15 million over the next two years.

## EXPENDITURES

### Operating Budget

Approximately 85% of the FY 2003/2004 budget will go toward the provision of services that ensure Sunnyvale’s citizens and businesses enjoy well-maintained streets, clean parks, first-rate library services and a safe, secure community. The funds for these services are allocated into a spending plan called the Operating Budget. This plan is revised every other year to take into account changes in inflation, changes in conditions in the community, and changes in the amount of services necessary to maintain the City’s standards of excellence. The FY 2003/2004 budget includes over \$8 million in service level reductions as part of the City Manager’s 6-Point Action Plan.

### Project Budget

About 12% of this year’s budget will go toward projects. Just as individuals or businesses may set aside money for home repairs or replacement of an aging car, the City plans ahead for long-term maintenance, renovation and repair, improvements, and major additions. These efforts are funded through the City’s

Projects Budget. As part of the City Manager’s 6-Point Action Plan, a large number of projects have either been suspended or removed from the FY 2003/2004 budget. Through this reduction the City expects to save approximately \$1.8 million annually. The City also completed a number of major capital projects during the past fiscal year including the underground parking structure in Downtown, the Multimodal Transit Center, and the Fair Oaks Skateboard Park.

## Debt

Just as individuals may borrow money for a house or car, the City occasionally borrows funds to go toward major improvements. For instance, the City is currently paying off debt for funds borrowed to improve the City’s recycling operations (SMaRT® Station). The debt payments are funded by fees paid by users of the particular service. The City’s debt level is low, at about 3% of the total budget.

## REVENUES

### Sources of Funds

Most of the money that supports City services and projects comes from either fees paid by users of services or taxes. User fees include payments for water, sewer, garbage, and recreation services. Utility services are supported entirely through user fees. User fees are the single largest source of City revenue, making up about 40% of the budget. The majority of City tax revenue comes from sales taxes and property taxes, even though the City only receives about 1 cent of the sales tax and about 13 cents of each dollar of property tax.

About 16% of the City’s funds for Fiscal Year 2003/2004 will come from state revenues, such as the Motor Vehicle License Fee or from grants from other government agencies. The City obtains funds from various other sources, including interest on its investments.

## For More Information

More information about Sunnyvale’s FY 2003/2004 adopted budget is available through the Department of Finance link at the City’s Web site <http://www.ci.sunnyvale.ca.us>



Questions/comments please contact:

City of Sunnyvale  
Department of Finance  
650 West Olive Avenue  
P.O. Box 3707  
Sunnyvale, CA 94088

or

call (408) 730-7380

The Adopted FY 2003/2004 Budget  
is available online at:  
<http://www.ci.sunnyvale.ca.us>

For general information please call (408) 730-7500

CITY OF  
SUNNYVALE

FY 2003/2004

ADOPTED  
BUDGET  
SUMMARY



# Fiscal Year 2003/2004 Adopted Budget Summary

## TOTAL ESTIMATED REVENUES

<b>USER FEES (40%)</b>	<b>.....\$ 85,058,419</b>
Garbage Fees .....	25,322,166
Water Fees .....	20,323,217
Sewer Fees .....	15,970,371
Recreation Service .....	7,535,133
Franchises .....	6,856,013
Rents and Concessions .....	3,628,131
Permits and Licenses .....	2,483,576
Other Fees and Services .....	2,285,036
Fines and Forfeitures .....	654,776
<b>TAXES (31%)</b>	<b>.....\$66,257,463</b>
Property Tax .....	26,335,781
Sales Tax .....	24,239,000
Utility Users Tax .....	6,006,721
Hotel and Motel Tax .....	5,300,000
Gas Tax .....	2,578,441
Other Taxes .....	1,797,520
<b>INTERGOVERNMENTAL (16%)</b>	<b>.....\$ 34,397,651</b>
Workplace Improvement Act Grant .....	12,314,681
SMaRT Station Operations .....	9,257,792
State Shared Revenues .....	8,822,938
Community Development Block Grant .....	1,548,000
Other Agencies Contributions .....	842,726
Federal Grants .....	833,685
HOME Program Grant .....	777,829
<b>OTHER (6%)</b>	<b>.....\$ 11,862,184</b>
Interest Income .....	8,051,870
Other Revenues .....	3,277,789
SMaRT Station Revenues .....	532,524

**USE OF RESERVES (7%)** .....\$ 14,515,268

**TOTAL ESTIMATED REVENUES** .....\$ 212,090,985  
*(Excludes Internal Service Fund revenues)*

## TOTAL APPROPRIATIONS

<b>OPERATING BUDGET (85%):</b>	
<b>CITY MANAGER’S OFFICE</b>	<b>.....\$ 3,623,444</b>
<b>CITY ATTORNEY’S OFFICE</b>	<b>.....\$ 1,385,584</b>
<b>CITY COUNCIL</b>	<b>.....\$ 323,455</b>
<b>COMMUNITY DEVELOPMENT</b>	<b>.....\$ 6,295,317</b>
Development Services .....	3,334,017
Housing and Human Services .....	774,891
Community Planning .....	735,267
Neighborhood Preservation .....	732,315
Economic Prosperity .....	718,827
<b>EMPLOYMENT DEVELOPMENT</b>	<b>.....\$ 13,015,736</b>
<b>FINANCE</b>	<b>.....\$ 6,414,395</b>
<b>HUMAN RESOURCES</b>	<b>.....\$ 1,524,205</b>
<b>LIBRARY</b>	<b>.....\$ 6,435,931</b>
<b>PARKS AND RECREATION</b>	<b>.....\$ 16,922,445</b>
Recreation .....	10,388,904
Parks and Open Space Management .....	5,282,436
Baylands Park .....	677,613
Administrative Services .....	573,492
<b>PUBLIC SAFETY</b>	<b>.....\$ 51,852,000</b>
Police Services .....	22,619,635
Fire Services .....	18,262,452
Technical Services .....	10,034,256
Animal Control .....	529,372
Emergency Preparedness .....	406,284

<b>PUBLIC WORKS</b>	<b>.....\$ 72,322,762</b>
Refuse Collection and Disposal .....	18,161,859
SMaRT Station Operations .....	16,919,824
Water Supply and Distribution .....	14,859,040
Wastewater Management .....	10,987,533
Right-of-Way Services .....	4,128,257
Pavement Operations .....	3,587,622
Transportation Operations .....	2,231,409
Engineering Services .....	724,258
Public Works Support Services .....	549,255
Parking District Landscaping .....	96,331
Public Parking Lot Maintenance .....	77,374

**PROJECT OPERATING BUDGET** .....\$ 140,138

**TOTAL OPERATING BUDGET**.....\$ 180,255,412  
*(Excludes Internal Service Fund expenses)*

<b>PROJECTS BUDGET (12%)</b>	<b>.....\$ 24,516,101</b>
Infrastructure Projects .....	11,982,678
Special Projects .....	7,186,755
Capital Projects .....	2,494,005
Lease Payments .....	1,216,678
Project Administration .....	1,165,865
Outside Group Funding .....	470,120

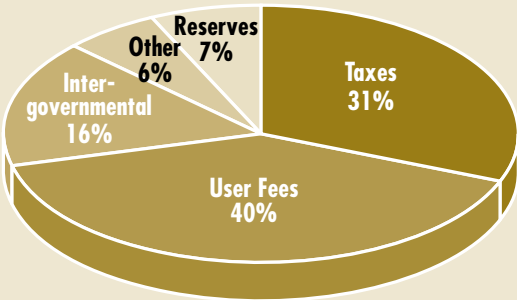
**DEBT (3%):** .....\$ 6,993,150

<b>OTHER EXPENDITURES (&lt;1%):</b>	<b>.....\$ 326,322</b>
Public Facilities (City) Space Issues .....	250,000
Fiscal Uncertainties .....	76,322

**TOTAL ADOPTED FISCAL YEAR**  
**2003/2004 BUDGET** .....\$ 212,090,985

## SUNNYVALE REVENUE SOURCES

**FY 2003/2004 BUDGET**  
**Total: \$212,090,985**



## SUNNYVALE EXPENDITURES

**FY 2003/2004 BUDGET**  
**Total: \$212,090,985**

